(c) what action Government propose to take in the matter of breach of security in this regard?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (c) No such report has come to the notice of the Government. However, the Indian Army is sensitized periodically to various nuances of military security and the implications of sharing of military information with strangers or transmission on unsecured media. All cases of breach of security when detected are investigated through a Court of Inquiry as per extant guidelines and appropriate actions are taken based on findings of the enquiry.

CAG's observations on defence procurements

1714. SHRIMATI SHOBHANA BHARTIA:
SHRI VIJAY J. DARDA:

Will the Minister of DEFENCE be pleased to state:

(a) whether the CAG has pointed out that delays plagued major defence buys and regretted that the time gap between the assessment and the receipt of goods was alarmingly long, even decades in many cases and such delays had serious repercussions and that defence R&D with an outlay of Rs.5,000 crore was an area where accountability often took shelter under the policy of self-reliance, and indigenization became a reason for delay;

(b) whether the CAG has suggested accountability needs to be re-emphasized to enable better assessment of return from investment; and

(c) to what extent those loopholes in the defence deals were considered?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) Comptroller and Auditor General (CAG) pointed out delays in some defence buys in the report for the year ended March 2006, submitted in 2007.

Contributions made by the Defence Research and Development (R&D) have been acknowledged from time to time by various agencies. Wherever there are delays in products being realized by DRDO, import option is considered to fill the gap.

(b) While attention has been drawn to delay in some defence buys in the CAG report for the year ended March 2006, there does not appear to be a specific reference to re-emphasise accountability aspect.

(c) Defence Procurement Procedure (DPP-2006) has further streamlined the procurement procedure and also included a broad time frame for procurement activities. Recommendations of the CAG have also been taken into account while formulating the DPP-2006.

Foreign equity participation in HAL

1715. SHRI TAPAN KUMAR SEN: Will the Minister of DEFENCE be pleased to state:

(a) whether Ministry of Defence had forwarded any proposals recommending 50 per cent foreign equity participation in Hindustan Aeronautical Ltd. (Defence PSU); and